

IN THE MATTER OF THE
SECURITIES LEGISLATION
OF ALBERTA, BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK,
NEWFOUNDLAND, NOVA SCOTIA, ONTARIO, PRINCE EDWARD ISLAND, QUEBEC,
AND SASKATCHEWAN

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
JOHN HANCOCK FINANCIAL SERVICES, INC.

AND

JOHN HANCOCK CANADIAN CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan (the "Jurisdictions") has received an application (the "Application") from John Hancock Financial Services, Inc. ("JHFS") on its own behalf and on behalf of its soon to be incorporated wholly-owned subsidiary to be named John Hancock Canadian Corporation ("FinanceCo", and together with JHFS, the "Applicants") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that:

A.the Applicants be exempted from the following, requirements contained in the Legislation:

(i)the requirements in section 2.5(1) of National Instrument 44-101 ("NI 44-101 and paragraph 4.3(l)(b) of National Policy Statement No. 47 ("NP 47"), where applicable, that a person or company guaranteeing non-convertible debt issued by a subsidiary be a reporting issuer with a 12 month reporting history in a Canadian province or territory, have a current annual information form (an "AIF") and have either an aggregate market value of equity securities listed and posted for trading on an exchange in Canada of \$75,000,000 or more or have outstanding non-convertible securities meeting certain specified criteria include having an approved rating as defined in NI 44-101 and NP 47 (and further references to NI 44-101 include the equivalent provisions of NP 47) (the "Eligibility Requirements"), in order to permit FinanceCo to issue (the "Offering") non-convertible debt securities, in particular senior unsecured notes (the "Notes"),

with an approved rating which will be fully and unconditionally guaranteed by JHFS;

(ii) the requirement in NI 44-101 that the short form prospectus filed by FinanceCo in connection with the Offering include a reconciliation (the "Reconciliation Requirement") to Canadian generally accepted accounting principles ("GAAP") of the consolidated financial statements of JHFS and its subsidiaries included in or incorporated by reference into the prospectus which have been prepared in accordance with foreign GAAP;

(iii) the requirement in NI 44-101 and under the Legislation of Ontario, Québec and Saskatchewan that FinanceCo have a current AIF and file renewal AIFs (the "AIF Requirement") with the securities regulatory authority or regulator in each Jurisdiction (collectively the "Commissions");

(iv) the requirement that FinanceCo file with the Commissions and send, where applicable, to its security holders audited annual financial statements or annual reports, where applicable, including without limitation management's discussion and analysis thereon (the "Annual Financial Statement Requirement");

(v) the requirement that FinanceCo file with the Commissions and send, where applicable, to its security holders unaudited interim financial statements, including without limitation management's discussion and analysis thereon (that "Interim Financial Statement Requirement"),

(vi) the requirement that FinanceCo issue and file with the Commissions press releases and file material change reports (the "Material Change Requirements");

(vii) that the insiders of FinanceCo file with the Commissions insider reports (the "Insider Reporting Requirement"); and

(viii) the requirement that FinanceCo comply with the proxy and proxy solicitation requirements, including filing an information circular or report in lieu thereof (the "Proxy Requirements"); and

B. the Application and the Decision, as defined below, be held in confidence by the Decision Makers subject to certain conditions.

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Nova Scotia Securities Commission is the principal regulator for this application,

AND WHEREAS it has been represented by the Applicants to the Decision Makers that:

1. JHFS was incorporated under the laws of Delaware on August 26, 1999, and is not a reporting issuer or the equivalent in any of the provinces or territories of Canada.

2. Prior to February 1, 2000, the business of JHFS was conducted by John Hancock Mutual Life Insurance Company (the "Mutual Company"). The Mutual Company had been in business as such since 1962 until, it converted from a mutual life insurance company to a stock life insurance company (*i.e.*, demutualized) and became a wholly-owned subsidiary of WS, which is a holding company.

3. JHFS has been a reporting company under the Securities Exchange Act of 1934, as amended (the "1934 Act"), since January 27, 2000. JHFS has filed annual reports under Form 10-K for the fiscal year ended December 31, 1999 and quarterly reports under Form 10-Q for the quarterly periods ended March 31, 2000, June 30, 2000 and September 30, 2000, in accordance with the filing obligations set out in sections 13 and 15(d) of the 1934 Act. In addition, the prospectus filed with the U.S. Securities and Exchange Commission (the "SEC") by JHFS pursuant to Rule 424 contained financial statements for the fiscal years ended December 31, 1998, 1997 and 1996.

4. The aggregate market value of JHFS's equity securities (which are listed and posted for trading over the facilities of the New York Stock Exchange (the "NYSE")), calculated in accordance with NI 44-101, on February 20, 2001 was approximately US\$10.9 billion.

5. Although JHFS has received an approved rating from Moody's Investors Service, Inc. of P-1 and Standard & Poor's Ratings Group of A-1 on its commercial paper program, it does not meet the criteria set out in clause 2.5(1)3(a) of NI 44-101 as no commercial, paper (and hence no non-convertible securities) of JHFS is currently outstanding, JHFS's direct wholly-owned subsidiary John Hancock Life Insurance Company "JHLIC"), and its indirect wholly-owned subsidiary John Hancock Capital Corporation (itself a wholly-owned subsidiary of JHLIC), each have outstanding non-convertible securities that meet the criteria set out in clause 2.5(1)3(a) of NI 44-101.

6. FinanceCo will be incorporated under the laws of Nova Scotia, and will be a wholly-owned subsidiary of JHFS. FinanceCo is not currently a reporting issuer in any of the provinces or territories of Canada. FinanceCo's primary business will be to access Canadian capital markets to raise funds on behalf of the Canadian subsidiary companies of JHFS, and will have no other operations,

7. JHFS satisfies the criteria set forth in paragraph 3.1(a) of National Instrument 71-101 ("NI 71-101") and is eligible to use the multi-jurisdictional disclosure system ("MJDS"), as set out in NI 71-101, for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure,

8. Except for the fact that FinanceCo is not incorporated under United States law, the Offering would comply with the alternative eligibility criteria for offerings of non-convertible debt having an approved rating under the MJDS as set forth in Section 3.2 of NI 71-101.

9. FinanceCo is ineligible to issue the Notes by way of a prospectus in the form of a short form prospectus under NI 44-101 as neither FinanceCo nor JHFS, as credit supporter for the payments to be made by FinanceCo under the Notes, is a reporting issuer in any province or territory of

Canada, and JHFS does not itself have a current AIF or meet the criteria set out in clause 2.5(1)3 of NI 44-101.

10. As a result of the Offering, FinanceCo will become a reporting issuer or the equivalent under the Legislation and would therefore be subject to the continuous disclosure and reporting obligations of the Legislation unless the relief requested herein is granted.

11. In connection with the Offering:

(i) prior to filing a preliminary short form prospectus for the Offering:

(a) JHFS will file with the Commissions an AIF (the "JHFS AIF") in the form of its annual report on Form 10-K for the year ended December 31, 2000 (the "JHFS Form 10-K"), in electronic format through SEDAR (as defined in National Instrument 13-101) under FinanceCo's SEDAR profile, and

(b) JBFS will file with the Commissions, in electronic format under FinanceCo's SEDAR profile, the documents that JHFS has filed under the 1934 Act during the last year being, as of the date hereof, annual report on Form 10-K for the year ended December 31, 1999 and quarterly reports on Form 10-Q for the periods ending September 30, 2000, June 30, 2000 and March 31, 2000;

(ii) the prospectus will be prepared pursuant to the short form prospectus requirements contained in NI 44-101 and will comply with the requirements set out in Form 44-101F3 of NI 44-101 with the disclosure required by item 12 of Form 44-101F3 of NI 44-101 being addressed by incorporating by reference JHFS's public disclosure documents as well as the JHFS AIF and with the disclosure required by item 7 of Form 44-101 F3 of NI 44-101 being addressed by disclosure with respect to JHFS in accordance with United States requirements;

(iii) the prospectus will include or incorporate by reference all Material disclosure concerning FinanceCo;

(iv) the prospectus will incorporate by reference the JHFS Form 10-K (as filed under the 1934 Act) together with all Form 10-Qs and Form 8-Ks filed under the 1934 Act in respect of the financial year following the year that is the subject of the JHFS Form 10-K, and will incorporate by reference any documents of the foregoing type filed after the date of the prospectus and prior to termination of the Offering and will state that purchasers of the Notes will not receive separate continuous disclosure information regarding FinanceCo;

(v) JHFS will fully and unconditionally guarantee the payments to be made by FinanceCo as stipulated in the terms of the Notes or in an agreement governing the rights of holders of Notes such that the holder of Notes shall be entitled to

receive payment from JHFS within 15 days of any failure by FinanceCo to make a payment as stipulated;

(vi) the Notes will have an approved rating;

(vii) JHFS will sign the Prospectus as credit supporter and promoter; and

(viii) JHFS will undertake to file with the Commission in electronic format under FinanceCo's SEDAR profile, all documents that it files under Sections 13 (other than sections 13(d), (f) and (g) which relate, inter alia, to holdings by JHFS of securities of other public companies) and 15 (d) of the 1934 Act until such time as the Notes are no longer outstanding;

12. The consolidated financial statements of JHFS and its subsidiaries that will be included in or incorporated by reference into the short form prospectus in connection with the Offering have been prepared in accordance with U.S. GAAP.

13. In the circumstances, were JHFS to have effected the Offering of the Notes under the MJDS it would be unnecessary for it to reconcile to Canadian GAAP its financial statements included in or incorporated by reference into the short form prospectus in connection with the issuance of the Notes.

14. Part 7 of NI 44-101 and Item 20.1 of Form 44-101F3 of NI 44-101 would seem to require the reconciliation to Canadian GAAP of financial statements prepared in accordance with foreign GAAP that are included in a short form prospectus.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides each Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Applicants be exempted from the Eligibility Requirements and the Reconciliation Requirement in connection with the Offering provided that:

(i) each of FinanceCo and JHFS complies with paragraph 11 above;

(ii) FinanceCo complies with all of the filing requirements and procedures set out in NI 44-101 except as varied by the Decision,

(iii) JHFS remains the direct or indirect beneficial owner of all the issued and outstanding voting securities of FinanceCo; and

(iv) JHFS continues to satisfy the criteria set forth in paragraph 3.1 of NI 71-101 (or any successor provision) and remains eligible to use MJDS (or any successor instruments for the purposes of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure.

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation is that, in connection with the Offering, the AIF Requirement shall not apply to FinanceCo, provided that (i) JHFS complies with the AIF requirements of NI 44-101 as if it is the issuer; and (ii) the Applicants comply with all of the conditions in the Decisions above and below.

Director of Securities

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation is that, in connection with the Offering:

A. the Annual Financial Statement Requirement shall not apply to FinanceCo, provided that (i) FinanceCo files with the Commissions the annual reports on Form 10-K filed by JHFS with the SEC within 24 hours after they are filed with the SEC; and (ii) such documents are provided to Note holders whose last address as shown on the books of FinanceCo is in Canada in the manner and at the time required by applicable U.S. law,

B. the Interim Financial Statement Requirement shall not apply to FinanceCo, provided that (i) FinanceCo files with the Commission the quarterly reports on Form 10-Q filed by JHFS with the SEC within 24 hours after they are filed with the SEC; and (ii) such documents are provided to Note holders whose last address as shown on the books of FinanceCo is in Canada in the manner and at the time required by applicable U.S. law;

C. the Material Change Requirements shall not apply to FinanceCo, provided that (i) FinanceCo files with the Commissions the reports on Form 8-K (including, press releases) filed by JHFS with the SEC forthwith after the earlier of the date the report is filed with the SEC and the date it is required to be filed with the SEC; (ii) JHFS complies with the requirements of the NYSE in respect of making public disclosure of material information on a timely basis and forthwith issues in each Jurisdiction any press release issued in this regard; and (iii) JHFS forthwith issues in each Jurisdiction and FinanceCo files with the Commissions any press release that discloses material information and which is required to be issued in connection with the Form 8-K requirements applicable to JHFS;

D. the Insider Reporting Requirement shall not apply to insiders of FinanceCo, provided that such insiders file with the SEC on a timely basis the reports, if any, required to be filed with the SEC pursuant to section 16(a) of the 1934 Act and the rules and regulations thereunder; and

E. the Proxy Requirements shall not apply to FinanceCo, provided that (i) JHFS complies with the requirements of the 1934 Act and the rules and regulations thereunder relating to proxy statements, proxies and proxy solicitations in connection with any meetings of its note holders (if any), (ii) FinanceCo files with the Commissions the materials relating to the meeting filed by JHFS with the SEC promptly after they are filed by it with the SEC; and (iii) such documents are provided to Note holders whose last address as shown on the books of FinanceCo is in Canada in the manner, at the time and if required by applicable United States law;

for so long as (i) JHFS maintains an approved rating in respect of the Notes; (ii) JHFS maintains direct or indirect 100% beneficial ownership of the voting securities of FinanceCo; (iii) JHFS maintains a class of securities registered pursuant to section 12 of the 1934 Act; (iv) JHFS continues to satisfy the criteria set forth in paragraph 3.1 of NI 71-101 (or any successor provision) and remains eligible to use MJDS (or any successor instrument) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure; and (v) FinanceCo carries on no other business than that set out in paragraph 6 of the Decision.

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation is that the Application and the Decision shall be held in confidence by the Decision Makers until the earlier of the date that the preliminary prospectus is filed in connection with the Offering and April 30, 2001.

DATED on "March 21", 2001